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FISCAL IMPACT STATEMENT

LS 7251

BILL NUMBER: HB 1615

NOTE PREPARED: Jan 12, 2009

BILL AMENDED:

SUBJECT: State Contracting Goals for Disabled Veterans.

FIRST AUTHOR: Rep. Goodin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the Governor's Commission on Service Disabled Veteran Small Business. The bill provides that the Commission must establish programs and set annual goals for the use of service-disabled veteran small businesses in state contracts.

This bill also creates the Office of Deputy Commissioner for Service-Disabled Veteran Small Business Development within the Department of Administration. The bill requires the Department of Administration to adopt administrative rules to ensure that certain goals established by the commission are met.

Effective Date: July 1, 2009.

Explanation of State Expenditures: This bill establishes the 17-person Governor's Commission on Service Disabled Veteran Small Business. The legislation defines Commission members, of which one is the Chairperson selected by the Governor, 3 are state employees, 4 are members of the General Assembly, and the remaining 9 members have demonstrated capabilities in industry and business. The bill specifies that Commission members who are not state employees or legislative members are entitled to the minimum salary per diem and reimbursement for traveling expenses and other expenses incurred related to the member's duties. Legislative members are entitled to the same per diem, mileage, and travel allowances paid to members of the General Assembly serving on interim study committees. State employees serving on the Commission are not entitled to per diem, reimbursement for traveling expenses, or reimbursement for any other expenses incurred in connection with their service on the Commission. The Commission is required to meet at least four times per year, but may meet more depending upon the action of the Chairperson.

Expenses for Commission members who are also members of the General Assembly are to be paid by the Legislative Services Agency. Actual expenses will depend on which members of the General Assembly are selected to serve on the Commission, how often they attend meetings, and how often meetings are called by the Chairperson.

The Department of Administration is responsible to pay the per diem and travel reimbursement for Commission members who are neither state employees nor members of the General Assembly. The state will experience an increase in expenditures to provide per diem and travel reimbursement to these members. Expenditures would depend on the number of meetings attended by members, and the members' geographic locations.

The Commission is responsible for ensuring that there are a sufficient number of service-disabled veteran small business that are participating in the request for proposal and contracting process. The Commission is responsible for establishing annual goals for the use of service-disabled veteran small businesses in the request for proposal and contracting process that is measured by statistical analysis that is updated every five years. These tasks are to be accomplished within the Commission's course of meetings.

The Department of Administration is also responsible for providing administrative staffing and support to the Commission. Increases in staff workload are dependent upon how often the Commission meets.

Additionally, the bill creates the Office of the Deputy Commissioner for Service Disabled Veteran Small Business Development, as well as duties that the Deputy Commissioner is required to perform. The bill is silent on any salary that is to be provided for this new position. If salary is provided to the Deputy Commissioner, state expenditures will increase. Actual increases will depend on the salary established for the Deputy Commissioner as well as any resources that are provided to assist the Deputy Commissioner in fulfilling the duties required in the bill.

The bill also allows a contract-awarding state agency to break contract with a contractor who fails to meet certain notification provisions in the bill. The Department of Administration is allowed to settle grievances between contractors and awarding state agencies through informal procedures. This may increase the workload of the Department of Administration to provide the mediation to the extent there are differences between state agencies and contracting authorities. Actual increases are indeterminable.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Administration.

Local Agencies Affected:

Information Sources:

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